

RECEIVED

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION JUL 27 2004

IN THE MATTER OF:

**PUBLIC SERVICE
COMMISSION**

THE APPLICATION OF UNION LIGHT, HEAT)
AND POWER COMPANY FOR ECONOMIC) CASE NO. 2004-00253
DEVELOPMENT TARIFFS)

Initial Requests for Information
From the Attorney General to
Union Light, Heat and Power Company

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits these Requests for Information to Union Light, Heat and Power Company, to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.
- (2) Please identify the witness who will be prepared to answer questions concerning each request.
- (3) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.
- (4) If any request appears confusing, please request clarification directly from the Office of Attorney General.
- (5) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

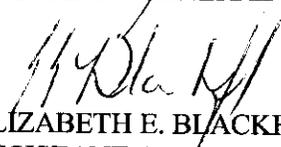
(6) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.

(7) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(8) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(9) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

Respectfully submitted,
GREGORY D STUMBO
ATTORNEY GENERAL



ELIZABETH E. BLACKFORD
ASSISTANT ATTORNEY GENERAL
Office for Rate Intervention
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601
(502) 696-5453

CERTIFICATE OF SERVICE AND NOTICE OF FILING

I hereby give notice that this the 27th day of July, 2004, I have filed the original and ten copies of the foregoing with the Executive Director of the Kentucky Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky, 40601 and certify that this same day I have served the parties by mailing a true copy of same, postage prepaid, to those listed below.

JOHN J FINNIGAN JR ESQ
THE UNION LIGHT HEAT & POWER CO
139 E FOURTH STREET
CINCINNATI OH 45202

DONALD J ROTTINGHAUS
MANAGER RATE SERVICES
THE UNION LIGHT HEAT & POWER CO
139 E FOURTH STREET
CINCINNATI OH 45202



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Case No. 2004-00253

- 1) Under the Net Monthly Billing section of Rider UR, a 50% reduction in demand costs is mentioned, but there is no limit on the time, such as the 12 month limit contained in the Net Monthly Billing section of Rider ED. Attachment B indicates Rider UR is for 12 months only. Is this the case? If so, why is the time limit not included in the New Monthly Billing section of Rider UR?
- 2) Are any customers now known to be ready to apply for Rider BR? If so, please supply the number of customers ready to apply and the KW demand for each customer.
- 3) Are any customers now known to be ready to apply for Rider UR? If so, please supply the number of customers ready to apply and the KW demand for each customer.
- 4) Are any customers now known to be ready to apply for Rider ED? If so, please supply the number of customers ready to apply and the KW demand for each customer.
- 5) Has ULH&P discussed the proposed BR tariff with any potential customer that would be served under this tariff? If so, please supply the number of customers with whom this tariff has been discussed and the KW demand for each customer.
- 6) Has ULH&P discussed the proposed UR tariff with any potential customer that would be served under this tariff? If so, please supply the number of customers with whom this tariff has been discussed and the KW demand for each customer.
- 7) Has ULH&P discussed the proposed ED tariff with any potential customer that would be served under this tariff? If so, please supply the number of customers with whom this tariff has been discussed and the KW demand for each customer.
- 8) Please provide a projection of the reduction of expected revenues for each of the next 10 years as a result of the three proposed tariffs.
- 9) Please provide a projection of the expected additional load that will be added to the ULH&P system as a result of the proposed tariffs, as opposed to not adding these tariffs.
- 10) Attachment B states that the ED Rider would not in itself be the deciding factor to locate in the service territory, but when coupled with other incentives, "this sort of incentive can be quite effective". Please provide all analysis or studies that back up this statement.
- 11) Attachment B states ULH&P hopes to "tip the scale" with the UR Rider. Please provide all analysis or studies that back up this statement.

- 12) Please provide all analysis, calculations, assumptions and workpapers used to design the proposed Rider BR.
- 13) Please provide all analysis, calculations, assumptions and workpapers used to design the proposed Rider UR.
- 14) Please provide all analysis, calculations, assumptions and workpapers used to design the proposed Rider ED.
- 15) Please provide any analysis of the projected number of customers that are expected to apply for one of these three proposed riders that will be "Free Riders," free riders being defined as those customers that would have located in the service territory or would have expanded even without the incentives proposed in these three tariffs.
- 16) Please provide copies of the tariffs under which customers who would/could qualify for service under each of the proposed tariffs would otherwise receive service.
- 17) Please provide all analysis that shows that the proposed tariffs are consistent with ULH&P's cost of service.
- 18) For the year 2003, please provide the number of hours during the year that the ULH&P load exceeded the combined output of the East Bend and Miami Fort units that ULH&P is purchasing.
- 19) Based on the projected load and output models used in the 2003 ULH&P IRP, for the year 2007, please provide the projected number of hours:
 - a) ULH&P load can be met with the ULH&P East Bend and Miami Fort units.
 - b) ULH&P load will exceed the output of the ULH&P East Bend and Miami Fort units, and the ULH&P Woodsdale CT units will be run.
 - c) ULH&P load will exceed the output of the ULH&P East Bend and Miami Fort units, and additional power will need to be purchased from CG&E or other sources.
- 20) Please provide an analysis showing the impact on existing ratepayers of selling power below cost to new or expanding customers under the three proposed riders.
- 21) With reference to the proposed tariffs, other than the application and any attendant cover letter:
 - a) Please provide any letters, e-mails, or other correspondence that ULH&P, a parent or an affiliate has sent or caused to be sent to the Public Service Commission.
 - b) Please indicate whether any lobbyist, officer, director, or employee of ULH&P, a parent, or an affiliate has engaged in any discussion with or presentation to the

Public Service Commission regarding the proposed tariffs or economic development tariffs in general in the year preceding the filing of this application. If so, please provide a list of names of those participating in the discussion or presentation on behalf of the utility, the Commission, and any other party to the discussion or presentation; the dates on which the discussions/presentations took place; and, the location at which the discussions/presentations took place. Please provide copies of any written materials or documents utilized or produced in the course of scheduling, conducting, or memorializing the exchange.

- c) Please indicate whether any lobbyist, officer, director, or employee of ULH&P, a parent, or an affiliate has engaged in any discussion with or presentation to the Public Service Commission regarding the proposed tariffs or economic development tariffs in general since the filing of this application. If so, provide a list of names of those participating in the discussion or presentation on behalf of the utility, the Commission, and any other party to the discussion or presentation; the dates on which the discussions/presentations occurred; and, the location at which the discussions/presentations took place. Please provide copies of any written materials or documents utilized or produced in the course of scheduling, conducting, or memorializing the exchange.